

rates and billing option will apply for one year from the service effective date for each local service area(s). After one year, SWBT may change the rates upon one hundred twenty (120) days' notice.

VI. MUTUALITY

LSP agrees that to the extent it offers the type of services covered by this Appendix to any company, LSP will provide such services to SWBT under terms and conditions comparable to the terms and conditions contained in this Appendix, should SWBT request such services.

VII. INDEMNIFICATION

- A. The LSP agrees to defend, indemnify, and hold harmless SWBT from any and all losses, damages, or other liability, including attorneys' fees, that SWBT may incur as a result of claims, demands, wrongful death actions, or other suits brought by any party that arise out of the LSP customers' use of the Operator Services.
- B. The LSP also agrees to release, defend, indemnify, and hold harmless SWBT from any claim, demand, or suit that asserts any infringement or invasion of privacy or confidentiality of any person or persons caused or claimed to be caused, directly or indirectly, by SWBT employees and equipment associated with provision of the Operator Services. This provision includes but is not limited to suits arising from disclosure of the telephone number, address, or name associated with the telephone called or the telephone used to call the Operator Services.
- C. The LSP shall defend against all customer claims just as if the LSP had provided such service to its customer with the LSP's own Operators and shall assert its tariff limitation of liability for benefit of both SWBT and the LSP.

IX. TERM OF APPENDIX

- A. Unless sooner terminated, this Appendix will continue in force for a period of three years from the effective date of service in each exchange as shown in Exhibit I, LSP EXCHANGE OFFICES, and thereafter until terminated by one hundred-twenty (120) days notice in writing from either Party to the other.
- B. If the agreed-upon term of the Appendix is two (2) years, and the LSP terminates it prior to the end of the two-year term, the LSP's final bill shall recompute all charges billed to a LSP for all services from the initial date of this Appendix at the higher one (1) year rates (as applicable) and LSP shall pay such charges within thirty (30) days of the issuance of a final bill by SWBT.

- C. If the agreed-upon term of the Appendix is three (3) years, and the LSP terminates it prior to the end of the three-year term, the LSP's final bill shall recompute all charges billed to a LSP for all services from the initial date of this Appendix at the higher two (2) or one (1) year rates (as applicable) and LSP shall pay such charges within thirty (30) days of the issuance of a final bill by SWBT.
- D. If the agreed-upon term of the Appendix is five (5) years, and the LSP terminates it prior to the end of the five-year term, the following will apply:
 - 1. If the LSP terminates this Appendix up to and including two (2) years from the effective date of service, as described in Subsection A. of this Section (Terms of Appendix), the basic rate for a two-year period will apply. With respect to actual service(s) provided by SWBT and paid for by the LSP under this Appendix, the LSP shall pay the difference between the basic rate for a two-year period and the discounted rate for the five-year period, along with a Termination Interest Charge as described in Subsection D.3 of this Section (Terms of Appendix). Estimated monthly charges at the basic rate for a two-year period will be applicable for the remainder, if any, of the two-year period and will be based on an average of the actual monthly billable calls billed by SWBT pursuant to this Appendix prior to its termination. Payment is due from the LSP within thirty (30) days of the issuance of a final bill by SWBT.
 - 2. If the LSP terminates this Appendix up to and including three (3) years from the effective date of service, as described in Subsection A. of this Section (Terms of Appendix), the basic rate for a three-year period will apply. With respect to actual service(s) provided by SWBT and paid for by the LSP under this Appendix, the LSP shall pay the difference between the basic rate for a three-year period and the discounted rate for the five-year period along with a Termination Interest Charge as described in Subsection D.3 of this Section (Terms of Appendix). Estimated monthly charges at the basic rate for a three-year period will be applicable for the remainder if any, of the three-year period and will be based on an average of the actual monthly billable calls billed by SWBT pursuant to this Appendix prior to its termination. Payment is due from the LSP within thirty (30) days of the issuance of a final bill by SWBT.
 - 3. The Termination Interest Charge will be applied to the amounts due, based on the difference between the basic rate for the applicable period (two- or three-years) and the actual discounted rate for five-years, as described in Subsection D., 1. and D., 2 of this Section (Terms of Appendix). The interest rate shall be set at three (3) points above the current yield of the U.S. Benchmark 30-year Treasury Bond, as published in the Wall Street Journal on the day the contract is terminated.

4. If the LSP terminates this Appendix after three (3) years and prior to the agreed-upon term of one year from the effective date of service, as described in Subsection A. of this Section (Terms of Appendix), the LSP shall pay, within thirty (30) days of the issuance of a final bill by SWBT, all amounts due for actual services provided under this Appendix, including estimated monthly charges for the remainder of the five-year term of the Appendix. Estimated charges will be based on an average of the actual monthly amounts billed by SWBT pursuant to this Agreement prior to its termination.
- E. The rates applicable for determining the amount(s) under the terms outlined in this Section (Terms of Appendix) of this Appendix are those specified in Exhibit II, BASIS OF COMPENSATION - COMPLETED BILLABLE CALL.

APPENDIX OS
EXHIBIT I

APPENDIX OS
EXHIBIT I

LOCAL SERVICE AREA(S)

LSP LOCAL SERVICE AREA(s)

San Antonio
Dallas
Houston
Waco
Ft. Worth
Austin
Oklahoma City
Tulsa
Kansas City, Missouri
Kansas City, Kansas
Little Rock

EFFECTIVE DATE

Date to be determined.
USLD will provide Notice
a minimum of 60 days
prior to turn-up of service.

APPENDIX OS
EXHIBIT II-A

BASIS OF COMPENSATION (COMPLETED BILLABLE CALL METHOD)

Billing will be on Completed Billable Calls with the exception of Line Status Verification and Busy Line Interrupt services, which will be billed per occurrence. The following rates will apply for each service element; these rates have been adjusted to include applicable Operator Assistance Volume Discount and Multi-Service Discount plans.

A. <u>SERVICE</u>	<u>DESCRIPTION</u>	<u>RATE</u> (Per Completed Billable Call)		
		<u>1-Yr.</u>	<u>2-Yr.</u>	<u>3-Yr.</u>
1. Fully Automated Station	0+ Collect 0+ Third Number	\$0.22	\$0.21	\$0.20
2. Full Automated Calling Card	0+ Calling Card	\$0.19	\$0.18	\$0.17
3. Semi-Automated Station	0+ Sent Paid 0+ Collect 0+ Third Number	\$0.84	\$0.82	\$0.80
4. Semi-Automated Person	0+ Person Paid 0+ Person Collect 0+ Person Third Number 0+ Person Calling Card	\$1.84	\$1.81	\$1.77
5. Semi-Automated Calling Card	0+ Calling Card	\$0.45	\$0.445	\$0.44
6. Non-Automated Station	0- Sent Paid 0- Collect 0- Third Number 0- Calling Card	\$1.09	\$1.07	\$1.04

APPENDIX OS
EXHIBIT II-A, PAGE 2 OF 2

A. <u>SERVICE</u>	<u>DESCRIPTION</u>	<u>RATE</u> (Per Completed Billable Call)		
		<u>1-Yr.</u>	<u>2-Yr.</u>	<u>3-Yr.</u>
7. Non-Automated Person	0- Person Paid 0- Person Collect 0- Person Third Number 0- Person Calling Card	\$1.94	\$1.90	\$1.86
		(Per occurrence)		
8. Line Status Verification	0- LSV 0+ LSV	\$0.75	\$0.73	\$0.72
9. Busy Line Interrupt	0- BLI 0+ BLI	\$0.84	\$0.82	\$0.80
10. 0-Transfer	0-	\$0.24	\$0.23	\$0.22
11. Call Branding		No additional charge per call		

The specific branding phrase used to identify the LSP will be mutually agreed upon by both SWBT and the LSP.

B. VOLUME DISCOUNT MATRIX

<u>DESCRIPTION</u>	<u>RATE</u> (Per Completed Billable Call)		
	<u>1-Yr.</u>	<u>2-Yr.</u>	<u>3-Yr.</u>
0% to .10%	N/A	5%	7%
.11% to .29%	N/A	6%	8%
.30% or greater	N/A	7%	9%

C. MULTI-SERVICE DISCOUNT MATRIX

LSP selects 2 services	N/A	5%	6%
LSP selects 3 services	N/A	7%	8%
LSP selects 4 or more services	N/A	9%	10%

APPENDIX LIDB

SEPTEMBER 1996

APPENDIX LIDB

AGREEMENT FOR THE PROVISION OF DATA BASE ADMINISTRATION AND LINE INFORMATION DATA BASE (LIDB) STORAGE

This Appendix, between SWBT and LSP sets forth the terms and conditions upon which SWBT will provide data base administration to store LSP's line/billing records in SWBT's Line Information Data Base (LIDB).

WHEREAS, SWBT owns and maintains a Line Validation Administration System (LVAS) that provides facilities for adding, deleting, and changing information in LIDB; and

WHEREAS, SWBT maintains LIDB for various purposes, including the validation of alternately billed service (ABS) requests and the provision of other services; and

WHEREAS LSP desires to have SWBT use LVAS to administer LSP's line information records for the provision of services set forth in the exhibits attached to this Appendix; and

WHEREAS SWBT is willing to provide, where equipment, processing capability and hardware configurations permit, such LVAS services and LIDB storage for LSP; and

WHEREAS, SWBT owns and maintains a Sleuth System that provides facilities for ABS fraud monitoring; and

WHEREAS LSP desires SWBT to use its Sleuth System for ABS fraud monitoring of its telecommunications traffic.

NOW, THEREFORE, in consideration of the mutual promises and undertakings made, the parties agree as follows:

I. DEFINITIONS

As used herein and for the purpose of this Appendix, the following terms shall have the meanings set forth below:

- A. Alternate Billing Services (ABS) - A service that allows end users to bill calls to accounts that may not be associated with the originating line. There are three types of ABS calls: calling card, collect and third number billed calls.
- B. Billed Number Screening (BNS) - A process which utilizes a database to determine specific characteristics and/or end user preferences with respect to a billed number.
- C. Calling Card Service (CCS) - A service which enables a calling customer to bill a telephone call to a calling card number with or without the help of an operator.

- D. Data Base - An integrated collection of related data. In the case of the LIDB, the data base is the line number and related line information.
- E. Data Base Administration Center (DBAC) - The LIDB input center where the LVAS facility and administrative personnel are currently located.
- F. Exchange - For the purpose of this Appendix, a specific NPA-NXX combination.
- G. Line Validation Administration System (LVAS) - An off-line administrative system, used by SWBT to add, delete and change information in LIDB.
- H. Line Information Data Base (LIDB) - The line information database, which is an ANSI SS7 database system, functions as a centralized repository for data storage and retrieval. LIDB supports validation and recording of ABS requests. LIDB also supports storage, retrieval and recording capabilities for other information that can be associated with an end user's line. Examples of such information are, or are expected to be, originating screening information, ZIP code data and calling name.
- I. Personal Identification Number (PIN) - A confidential four digit code number provided to a calling card customer to prevent unauthorized use of his/her calling card number. The PIN is stored in the LIDB for those line numbers that have an associated calling card.
- J. Response - A single response in a set of predefined expected responses to a request for information contained in a query from a computer processor.
- K. Toll Billing Exception (TBE) - A LIDB option that allows end users to restrict third number billing or collect calls to their lines.
- L. Sleuth - An off-line administration system that SWBT uses to monitor suspected occurrences of ABS-related fraud. Sleuth uses a systematic pattern analysis of query message data to identify potential incidences requiring fraud investigation. Detection parameters are based upon vendor recommendations and SWBT's analysis of collected data and are subject to change from time to time.
- M. Translation Type - A code in the Signaling Connection Control Point (SCCP) of the SS7 signaling message. Translation Types are used for routing LIDB queries. Signal Transfer Points (STP's) use Translation Types to identify the routing table used to route a LIDB query. All LIDB queries against the same exchange and Translation Type are routed to the same LIDB.

II. RESPONSIBILITIES

A. SWBT shall:

1. Input information provided by LSP into LIDB for the NPA-NXX's set forth in Exhibit 1, NPA-NXX's TO BE ADMINISTERED, attached hereto and made a part hereof. The information to be provided by LSP includes, but is not limited to, Calling Card Service information, Toll Billing Exception information (such as restrictions on collect and third number billing), and class of service information, as well as any information needed by SWBT to provide the services being requested.
2. Provide the functionality needed to perform certain query/response functions on a call-by-call basis for the line / billing records of LSP that reside in SWBT's LIDB. Those query / response functions SWBT will perform are set forth in the Exhibits.
3. SWBT will provide LSP with an alert notification, by fax, or another mutually agreed upon format, when SWBT's Sleuth system indicates probability of a fraud incidence.
4. Provide once annually, on a mutually agreed upon date via paper or tape records, a listing of LSP subscriber line number information residing in LVAS for audit purposes.
5. Determine for billing purposes the number of access lines that are administered for each NPA-NXX for which SWBT performs the database administration function on behalf of LSP. This quantification of access lines administered will be prepared after the initial load of data is complete and subsequently on the first business day of each calendar year.
6. Provide upon written request, such data as is reasonably necessary to verify billing charges for data base administration update functions. This information will be provided in standard SWBT LVAS report formats. Subject to paragraph II.B. below.
7. Provide such data, as is reasonably necessary, to enable the Independent Billing Information System (IBIS) billing statements to be substantiated for query volumes of LSP line billing records that reside in SWBT's LIDB. This data will be provided in standard Exchange Message Record (EMR) formats.

B. LSP shall:

1. Furnish, prior to the initial LVAS load and as requested by SWBT thereafter, the following forecast data: the number of working line numbers to be established; the average number of monthly changes to these records; the number of busy hour queries, by query type; and the number of annual queries by query type. If SWBT, at its discretion, determines that it lacks adequate storage, or processing capability, prior to the initial loading of LSP information, SWBT will notify LSP of its intent to not provide to it the Services under this Appendix and this Appendix will be void.
2. Should the quantity of LSP's access lines change by more than 15% from the beginning of the calendar year, LSP shall report the updated access lines information to SWBT within 30 days of such change so SWBT can perform accurate billing.
3. Furnish all the line/billing records in a format required by SWBT to establish records in LIDB for all working line numbers, not just line numbers associated with calling card PIN or Toll Billing Exceptions (TBE).
4. Inform SWBT of any necessary changes to be made in such records. LSP will keep these records current using reporting forms, formats and procedures which are acceptable to SWBT as set forth below:
 - (a) MANUAL MEDIA - Paper records received at the DBAC to be input into LVAS by a DBAC clerk. This option is limited to those companies with 1,000 Access Lines, or less. This option is available for both initial line information load and ongoing service order updates.
 - (b) DIAL-IN MEDIA - LVAS is directly accessed via a dial-up terminal or personal computer with dial-up/dial back capabilities compatible with SWBT's LVAS hardware and software. This option is available for both initial data load and ongoing updates.
 - (c) FILE TRANSFER MEDIA - Files received at a SWBT-designated computer retrieval, by LVAS. SWBT and LSP will agree upon the file transfer protocol. This option is available for both initial data loading and ongoing updates.
 - (d) TAPE MEDIA - Load information, recorded on nine-track tapes and received at a designated SWBT location for input in LVAS.

LSP will format the nine-track tapes, as specified in GR-446-CORE, Issue 2, June 1994, as revised. LSP will provide exchange records (NPA-NXX) and line records on separate tapes. This option is limited to initial load only.

5. Verify to SWBT, once annually, line information data residing in LVAS by reviewing the listing of line information data provided in accordance with Section II, A.4 preceding. LSP will provide to SWBT all additions, deletions, and corrections resulting from its verification on, or before, the fourteenth business day following its receipt of line information verification reports produced by SWBT for audit purposes.
6. Provide SWBT with a contact name, and fax number for SWBT to fax alerts from SWBT's Sleuth System.
7. Pay SWBT the amount billed for the services rendered, in accordance with Sections IV and V, detailed below.
8. Be willing to bill the appropriate charges to end users, on behalf of third parties who query LIDB and receive a response validating the end user's willingness to accept the charges for the underlying call.

III. METHODS AND PRACTICES

With respect to all matters covered by this Appendix, each party will adopt and comply with SWBT standard operating methods and procedures and will observe the rules and regulations which cover the administration of LVAS service and the Sleuth System, as set forth in SWBT practices. The parties acknowledge that those practices may be changed by SWBT from time to time.

IV. BASIS OF COMPENSATION

Compensation to SWBT for LVAS service shall be based upon the rates set forth in Exhibit II, BASIS OF COMPENSATION, attached hereto and made a part hereof. These rates will apply for ~~one (1)~~three (3) years from the service effective date for each exchange. After ~~one (1)~~three (3) years, SWBT may change the rates upon seventy-five (75) days' notice. SWBT may first give such notice seventy-five (75) days before the end of the ~~first~~third year.

V. MONTHLY BILLING

Billing statements hereunder will be rendered monthly by SWBT and remittance in full will be made to SWBT within thirty (30) days of the billing date.

VI. LIABILITY

- A. SWBT shall not be liable for any losses or damages arising out of errors, interruptions, defects, failures, or malfunction of LVAS, including any and all associated equipment and data processing systems, except such losses or damages caused by the sole negligence of SWBT. Any losses or damage for which SWBT is held liable under this Appendix shall in no event exceed the amount of charges made for LVAS during the period beginning at the time SWBT receives notice of the error, interruption, defect, failure or malfunction to the time service is restored.
- B. SWBT shall not be liable for any losses or damages arising out of SWBT's administration of Sleuth.
- C. SWBT SHALL NOT BE LIABLE IN ANY EVENT FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES RESULTING FROM, OR ARISING OUT OF, OR IN CONNECTION WITH, THIS APPENDIX.
- D. LSP agrees to release, indemnify, defend, and hold harmless SWBT from any and all claims, demands, or suits brought by a third party against SWBT, directly or indirectly, arising out of SWBT's provision of service under this Appendix.

VII. DISCLAIMER OF WARRANTIES

SWBT MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR INTENDED OR PARTICULAR PURPOSE WITH RESPECT TO LVAS SERVICE, LIDB OR THE SLEUTH SYSTEM. ADDITIONALLY, SWBT ASSUMES NO RESPONSIBILITY WITH REGARD TO THE CORRECTNESS OF THE DATA SUPPLIED BY LSP WHEN THIS DATA IS ACCESSED AND USED BY A THIRD PARTY.

VIII. MUTUALITY

LSP agrees that to the extent it offers the type of services covered by this Appendix to any company, that should SWBT request such services, LSP will provide such services to SWBT under terms and conditions comparable to the terms and conditions contained in this Appendix.

APPENDIX LIDB

EXHIBIT I

EXCHANGES TO BE ADMINISTERED

SWBT shall provide Line Validation Administration System (LVAS) services for the following LSP exchanges:

EXCHANGE NAME

NPA NXX

San Antonio

To be determined

Dallas

Houston

Waco

Ft. Worth

Austin

Oklahoma City

Tulsa

Kansas, Mo.

Kansas City, Ks.

Little Rock

APPENDIX LIDB

EXHIBIT II

BASIS OF COMPENSATION

COMPENSATION :

To determine compensation to SWBT for Data Base Administration Services provided, the following rates will apply (rate structure has flat rate charge, plus an additional charge per 100 access lines):

<u>UPDATED MEDIA USED</u>	<u>INITIAL LOAD</u>	<u>ONGOING UPDATES</u>
A. Manual (\leq 1,000 Line) Charge per 100 access lines	\$ 372.00 \$ 55.00	\$51.00 \$ 3.75
B. File Transfer Charge per 100 access lines	\$1,000.00 \$ 00.00	\$25.00 \$00.25
C. Tape Charge per 100 access lines	\$ 380.00 \$ 23.50	Tape Option Not Available for Updates
D. Dial-in Charge per 100 access lines	\$1,525.00 \$ 00.00	\$20.00 \$00.30

*LIDB query rates, as contained in FCC No. 73, Section 24 shall apply. SWBT will credit 25% per query and per query transport to LSP for each query that is made against its data, stored in SWBT's LIDB.

APPENDIX LIDB

EXHIBIT III

CALLING CARD AND BILLED NUMBER SCREENING VALIDATION

SWBT will provide the functionality needed to perform the following query/response functions, on a call-by-call basis, for the line/billing records residing in SWBT's LIDB to:

1. Validate a 14-digit billing number where the first 10 digits are a telephone number or a special billing number assigned and the last four digits (PIN) are a security code assignment.
2. Determine whether the billed line automatically rejects, accepts, or requires verification of certain calls billed as collect or third number.
3. Determine whether the billed line is a public telephone number using the Class of Service information in the LIDB.

APPENDIX LIDB

EXHIBIT IV

CNAM SERVICE (GENERIC NAME)

Upon receipt of the line/billing information from LSP, in a format acceptable to SWBT, SWBT will provide the functionality needed to perform the following query/response functions, on a call-by-call basis, for the line/billing records residing in SWBT's LIDB to identify the name associated with the line record.

Calling Name records are limited to fifteen characters. LSP is responsible for providing all name truncations and/or abbreviations needed to limit a calling name to 15 characters. LSP is also responsible for ensuring that its calling name data does not contain obscenities in English or other languages. Upon receipt of Calling Name data, in a format acceptable to SWBT, SWBT will provide the query/response functions, on a call-by-call basis, for the line/billing records residing in SWBT's LIDB to identify the name associated with the line record.

APPENDIX CH
SEPTEMBER 1996

Appendix CH
CLEARINGHOUSE SETTLEMENT REPORT APPENDIX

WHEREAS, SWBT operates a clearinghouse, as described below, for its own behalf and that of participating LECs and LSPs; and

WHEREAS, the contracting LSP wants to participate in the clearinghouse on the terms set forth herein;

The Parties agree to the following:

I. CLEARINGHOUSE DESCRIPTION

SWBT operates a clearinghouse for the purpose of facilitating the exchange of certain alternately billed intrastate intraLATA message toll call records and the reporting of settlement revenues owed by and among participating LECs and LSPs, including SWBT.

II. QUALIFYING MESSAGE CRITERIA

The only toll call messages that qualify for submission to SWBT for clearinghouse processing are (a) intrastate intraLATA sent collect (including calling card, collect and third number) messages which are originated in one LEC's or LSP's exchange, exclusively carried by a LEC or LSP over LEC or LSP facilities and billed to a customer located in another LEC's or LSP's exchange within the same state; or (b) intrastate intraLATA sent collect (but limited to calling card and third number) messages originated in one of SWBT's operating areas (located in parts of Texas, Arkansas, Kansas, Missouri or Oklahoma), exclusively carried by a LEC or LSP over LEC or LSP facilities, and billed to a customer located in another LEC's or LSP's exchange and not in the originating State.

III. RESPONSIBILITIES OF THE PARTIES

- A. LSP agrees that it will provide SWBT with billing records for clearinghouse processing that are in an industry standard format acceptable to SWBT and at a minimum shall display the telephone number of the end user to whom the call is to be billed, and data about the call sufficient for a carrier to comply with all applicable state regulatory requirements. For purposes of this Appendix, these records ("Clearinghouse Records") shall detail intraLATA toll calls which were originated by use of the single digit access code (i.e., 0+ and 0-) in one LEC or LSP exchange but are to be billed to an end user in another LEC or LSP exchange. Such records are referred to as category 92 records for clearinghouse processing purposes. Also, the term "Record" shall mean the call detail attributed to a single completed toll message.

LSP agrees that all Clearinghouse Records it generates will display indicators

denoting whether category 92 Records should be forwarded to SWBT's clearinghouse. LSP shall retain its originating records for ninety (90) days such that the category 92 Records can be retransmitted to SWBT for clearinghouse processing, if needed.

- B. SWBT shall provide and maintain such systems as it believes are required to furnish the clearinghouse service described herein. SWBT, in its capacity as operator of the clearinghouse, agrees to retain all Records processed through the clearinghouse for two (2) years.
- C. LSP shall timely furnish to SWBT all clearinghouse records required by SWBT to provide the clearinghouse service in accordance with the Technical Exhibit Settlement Procedures (TESP). SWBT shall provide the clearinghouse service in accordance with the TESP unless mutually agreed otherwise in writing.
- D. Presently, in operating the clearinghouse, SWBT relies upon NXX codes to identify messages for transmission to participating billing companies. To the extent any subprocesses are required to settle clearinghouse messages due to the use of ported numbers, such subprocessing will be the responsibility of the porting entity. If NXX codes cannot be solely relied upon to identify messages for transmission to participating billing companies, and if additional processing is needed by SWBT to identify the participating billing company, LSP agrees to compensate SWBT for such additional processing at a reasonable per message rate to be set by SWBT.

IV. PROCESSING CHARGE

LSP agrees to pay SWBT a processing charge in consideration of SWBT's performance of clearinghouse services. This charge is \$.02 per originated Clearinghouse Record processed on behalf of LSP.

V. BILLING CHARGE

LSP agrees to pay a \$.05 per message charge to the LEC or LSP responsible for billing the message, including SWBT when SWBT bills the message.

VI. SETTLEMENT REPORT

SWBT shall issue monthly reports containing the results of the processing of Clearinghouse Records to each participating LEC and LSP. These reports list the (a) amounts owed by the LSP for billing messages originated by others; (b) amounts due to LSP for LSP-originated messages billed by others; (c) applicable billing charges; and (d) processing charges.

VII. DELAYED OR LOST MESSAGES

The Parties agree that processing of retroactive messages through the Clearinghouse is acceptable, if such messages utilize the industry standard format for call records, pursuant to Section II. The Parties agree that lost messages are the complete responsibility of the originating LEC or LSP. If messages are lost by any Party, and cannot be recreated or retransmitted, the originating LEC or LSP will estimate messages, minutes, and associated revenues based on the best available data. No estimate will be made for messages which are more than two years old at the time the estimate is made. These estimates will be off-line calculations (i.e., not part of the routine clearinghouse processing) and will be included as a supplement to the monthly settlement report.

VIII. LIMITATION OF LIABILITY

By agreeing to operate the clearinghouse, SWBT assumes no liability for any LEC or LSP's receipt of appropriate revenues due it from any other entity. LSP agrees that SWBT will not be liable to it for damages (including, but not limited to, lost profits and exemplary damages) which may be owed to it as a result of any inaccurate or insufficient information resulting from any entity's actions, omissions, mistakes, or negligence and upon which SWBT may have relied in preparing settlement reports or performing any other act under this Appendix.

LSP agrees to indemnify and hold SWBT harmless against and with respect to any and all third party claims, demands, liabilities or court actions arising from any of its actions, omissions, mistakes or negligence occurring during the course of this Appendix.

SWBT shall not be liable for any losses or damages arising out of errors, interruptions, defects, failures, or malfunction of the services provided hereunder, including any and all associated equipment and data processing systems, except such losses or damages caused by the sole negligence of SWBT. Any losses or damage for which SWBT is held liable under this Appendix shall in no event exceed the amount of processing charges made for the clearinghouse services provided hereunder during the period beginning at the time SWBT receives notice of the error, interruption, defect, failure or malfunction to the time service is restored.

IX. DISCLAIMER OF WARRANTIES

SWBT MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR INTENDED OR PARTICULAR PURPOSE WITH RESPECT TO SERVICES PROVIDED HEREUNDER. ADDITIONALLY, SWBT ASSUMES NO RESPONSIBILITY WITH REGARD TO

- 4 -

THE CORRECTNESS OF THE DATA SUPPLIED BY LSP WHEN THIS DATA IS
ACCESSED AND USED BY A THIRD PARTY.

APPENDIX HOST

SEPTEMBER 1996

Appendix HOST

This Appendix sets forth the terms and conditions under which SWBT will perform hosting responsibilities for LSP for (1) the provision of billable message data and/or access usage data received from such LSP for distribution to the appropriate billing and/or processing location via SWBT's in-region network or via the nationwide Centralized Message Distribution System (CMDS) or (2) billable message data and/or access usage data received from other Local Exchange Carriers or from CMDS to be distributed to such LSP. This Appendix covers hosting in region (i.e., Missouri, Arkansas, Kansas, Oklahoma and Texas) and hosting out of region. Hosting out of region is only available to an LSP that is a Full Status Revenue Accounting Office (RAO) company.

I. DEFINITIONS

- A. Access Usage Record (AUR) - a message record which contains the usage measurement reflecting the service feature group, duration and time of day for a message which is subsequently used by a Local Exchange Carrier to bill access to an Interexchange Carrier.
- B. Bellcore Client Company Calling Card and Third Number Settlement (BCC CATS) System - Nationwide system used to produce information reports that are used in the settlement of Local Exchange Carrier (LEC) revenues recorded by one BCC (or Local Exchange Carrier within the territory of that BCC) and billed to a customer of another BCC (or Local Exchange Carrier within the territory of that BCC) as described in accordance with the Bellcore Practice BR 981-200-110.
- C. Billable Message Record - a message record containing details of a completed call which has been carried by a Local Exchange Carrier over Local Exchange Carrier facilities and is to be used to bill an end user.
- D. Centralized Message Distribution System (CMDS) - the national network of private line facilities used to exchange Exchange Message Record (EMR) formatted billing data between a company originating a message and the company billing for a message.
- E. Exchange Message Record (EMR) - Industry standard message format as described in accordance with the Bellcore Practice BR 010-200-010 which was developed to facilitate the exchange of telecommunications message information.
- F. Full Status Revenue Accounting Office (RAO) - an LSP that is responsible for formatting EMR records, and for editing and packing of such detail records into files for distribution.
- G. In-Region Hosting - Includes the transport of (1) billable message record data for Local Exchange Carrier transported messages and/or access usage record data that originate in a region and are delivered by the LSP to SWBT at a mutually agreed upon location within the territory of SWBT to be sent to another Local Exchange Carrier for billing; and (2) billable message record data and/or access usage data received from CMDS or another Local Exchange Carrier to be delivered to the LSP for billing to its end user located within the five state territory of SWBT.

- H. Out-of-Region Hosting - Includes the transport of (1) billable message record data for Local Exchange Carrier transported messages and/or access usage record data that originate out of region and are delivered by the LSP to SWBT and are to be sent to another Local Exchange Carrier for billing; and (2) billable message record data and/or access usage data received from CMDS or another Local Exchange Carrier to be delivered to the LSP for billing to its end user located outside SWBT's five state territory.
- I. Non-Full Status Revenue Accounting Office (RAO) - An LSP that has assigned responsibility to SWBT for editing, sorting and placing billing message record detail and/or access usage record detail into packs for distribution.

II. RESPONSIBILITIES OF THE PARTIES

- A. All data forwarded from LSP must be in the industry standard EMR format in accordance with Bellcore Practice BR 010-200-010. The LSP is responsible to ensure all appropriate settlement plan indicators are included in the message detail, i.e., the Bellcore Client Company Calling Card and Third Number Settlement (BCC CATS) System. The LSP acknowledges that the only message records subject to this Hosting Appendix are those that arise from Local Exchange Carrier transported billable messages and/or access usage records to be used by a Local Exchange Carrier for the purpose of billing access to an Interexchange Carrier.
- B. When LSP delivers billable message data and/or access usage data to SWBT which must be forwarded to another location for billing purposes, SWBT will accept data from the LSP, perform edits required to ensure message detail and access usage records are consistent with CMDS specifications, and use its in region data network to forward this data to the appropriate billing company or to access the national CMDS network in order to deliver this data to the appropriate billing and/or processing company.

If LSP is not a Full Status RAO Company, SWBT will also sort billable message detail and access usage record detail by Revenue Accounting Office, Operating Company Number or Service Bureau and split data into packs for invoicing prior to using its in region network to forward this data to the appropriate billing company or to access the national CMDS network in order to deliver such data to the appropriate billing company.

- C. For billable message data and/or access usage data received by SWBT for delivery to an LSP location, SWBT will use its in region data network to receive this data from other Local Exchange Carriers or from CMDS in order to deliver such billable message data and/or access usage data to the agreed upon billing LSP location.
- D. When out of region hosting is being performed by SWBT, SWBT will provide, upon request of the LSP, optional standardized reports that can be used by the LSP to track any billable message data and/or access usage data that does not qualify for settlement within the existing nationwide settlement systems (i.e., BCC CATS, BEARS). These reports are referred to as Non-Intercompany Settlement (ICS) Tracking Reports.